



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2013 Biennium

<b>Bill #</b>	SB0325	<b>Title:</b>	Referendum to require majority vote in general elections
<b>Primary Sponsor:</b>	Balyeat, Joe	<b>Status:</b>	As Introduced

- ☒ Significant Local Gov Impact
 ☐ Needs to be included in HB 2
 ☐ Technical Concerns  
☐ Included in the Executive Budget
 ☐ Significant Long-Term Impacts
 ☐ Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** SB 325 would require that the state hold runoff elections, either through a separate runoff election held after the general election, or through the use of Instant Runoff Voting (also known as Ranked Choice Voting). Both scenarios would pose significant costs to local governments. The fiscal impact to local government ranges between \$2 - \$5 million.

### FISCAL ANALYSIS

#### Effect on County or Other Local Revenues or Expenditures:

##### Scenario #1

1. A statewide runoff election held after the general election would cost local governments approximately \$2 million, based on the cost estimates for administering the 2010 general election.

##### Scenario #2

1. Instant Runoff Voting/Ranked Choice Voting, which encourages a voter to rank their choices among candidates in a specific contest and thus avoid a separate runoff election, is not compatible with the current tabulation equipment used by county governments across Montana. None of the tabulation equipment currently used by Montana is compatible with Instant Runoff Voting/Ranked Choice Voting.

Elections Systems and Software (ES&S) is the only elections software and equipment provider that is certified to provide tabulation equipment for Montana elections, and Montana counties currently use a mix of both the M100 and M650 tabulators which have almost all been purchased since the passage of the Help American Vote Act of 2002. When SOS asked ES&S whether Instant Runoff Voting/Ranked Choice Voting would work with the M100 and M650 tabulators, they responded by saying that: "Currently, neither the M100 nor the M650 support RCV [Ranked Choice Voting] in any version to date." ES&S then added that "there are plans to provide limited system support in the next version of system development when using the DS200, but again that is still in the planning stages." ES&S's DS200 is the newest tabulation machine provided by ES&S and it has not yet been purchased by any county in Montana, and is not yet certified for use in Montana.

Precinct level optical scan tabulator machines currently used across Montana would have to be replaced. New machines, model # DS200, which will have the capability to tabulate votes cast by ranking candidates cost approximately \$7,100 each. There are approximately 400 precinct tabulator machines to replace. The approximate replacement cost is \$2,840,000.

Central count level optical scan tabulator machines currently used across Montana would have to be replaced. New machines, model #DS850, which will have the capability to tabulate votes cast by ranking candidates cost approximately \$102,000 each. There are approximately 22 machines at the central count level across Montana to replace. The approximate replacement cost is \$2,200,000.

This bill does not provide for funding to the local governments. The total cost to the counties is approximately \$2 to 5 million.

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*Sponsor's Initials*

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*Date*

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*Budget Director's Initials*

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*Date*